

**CITY OF MILFORD, KANSAS**  
**FINANCIAL STATEMENT**  
**WITH INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**CITY OF MILFORD, KANSAS**

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## INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council of the City of Milford, Kansas  
Milford, Kansas 66514

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of the City of Milford, Kansas (City), as of and for the year ended December 31, 2014 and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statement, the financial statement is prepared by the City to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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Kansas Society of Certified  
Public Accountants



The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2014, or changes in financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

*Report on Regulatory-Required Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2013 basic financial statement upon when we rendered an unqualified opinion on August 14, 2014. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://www.da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

*Pottberg, Gassman & Hoffman, Chfd.*

Pottberg, Gassman & Hoffman, Chartered  
Junction City, Kansas  
March 3, 2015

**CITY OF MILFORD, KANSAS**  
**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Canceled Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
Governmental Type Fund:							
General Fund	\$ 347,158	\$ -	\$ 193,736	\$ 173,744	\$ 367,150	\$ 10,398	\$ 377,548
Special Purpose Funds:							
Ambulance and Firefighting	52,439	-	140	3,096	49,483	-	49,483
Special Highway	38,157	-	15,415	12,750	40,822	-	40,822
Parks and Recreation	22,768	-	11,628	7,656	26,740	-	26,740
Employee Benefits	78,713	-	1,313	11,718	68,308	-	68,308
Gas Security Deposit	-	-	-	-	-	-	-
Sewer Reserve	3,796	-	-	1,057	2,739	-	2,739
Water Security Deposit	1,794	-	7,144	4,299	4,639	-	4,639
Bond and Interest Fund:							
Community Building Sinking	3,994	-	-	-	3,994	-	3,994
Capital Projects Fund:							
Capital Improvements	217,799	-	46,252	82,950	181,101	-	181,101
Business Funds:							
Water Utility	128,589	-	99,481	77,284	150,786	-	150,786
Sewer Utility	156,810	-	58,428	30,415	184,823	-	184,823
Total Reporting Entity (Excluding Agency Fund)	<u>\$ 1,052,017</u>	<u>\$ -</u>	<u>\$ 433,537</u>	<u>\$ 404,969</u>	<u>\$ 1,080,585</u>	<u>\$ 10,398</u>	<u>\$ 1,090,983</u>

Composition of Cash:

Checking and Savings	\$ 540,302
Certificates of Deposit	552,145
Total Cash	1,092,447
Agency Fund per Schedule 3	(1,464)
Total Reporting Entity (Excluding Agency Fund)	<u>\$ 1,090,983</u>

The notes to the financial statement are an integral part of this statement.

## CITY OF MILFORD, KANSAS

### NOTES TO FINANCIAL STATEMENT DECEMBER 31, 2014

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Municipality

The City of Milford, Kansas is a municipal corporation governed by an elected five-member council and mayor. The City provides the following services as authorized by its charter: public works, recreation and waterworks. This financial statement presents the City of Milford, Kansas.

The accounting and reporting policies of the City relating to the financial statement and the funds included in the accompanying regulatory-required supplementary information conform to the cash basis and budget laws of the State of Kansas. The more significant accounting policies of the City are described below.

##### B. Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year of 2014:

General Fund –the chief operating fund of the City. This Fund is used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Funds – funds financed in whole or in part by fees charged to users of the goods or services (i.e., enterprise and internal service fund, etc.).

Agency Funds – are used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.).

##### C. Regulatory Basis of Accounting

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash

**CITY OF MILFORD, KANSAS**

**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Regulatory Basis of Accounting**

value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

**D. Budgetary Information**

The City Charter establishes the fiscal year as the twelve-month period beginning January 1. The Mayor and City Council prepare a budget of estimated expenditures and receipts for the ensuing fiscal year in accordance with State of Kansas Statutes. These statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- Preparation of the budget for the succeeding calendar year on or before August 1<sup>st</sup>.
- Publication in the local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
- Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
- Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or a contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, agency funds, and the following bond and interest fund and special purpose funds: Community Building Sinking, Gas Security Deposit, Sewer Reserve, and Water Security Deposit. Budgetary information is presented in the regulatory-required supplemental schedules.

**CITY OF MILFORD, KANSAS**

**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Budgetary Information, continued**

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by use of internal spending limits established by the governing body.

**E. Date of Management's Review**

The City's management has evaluated subsequent events through March 3, 2015, the date the financial statement was available to be issued.

**2. DEPOSITS AND INVESTMENTS**

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

*Concentration of credit risk.* State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated 'peak periods' when required coverage is 50%. The City has no designated 'peak period.' All deposits were legally secured at December 31, 2014.

At December 31, 2014 the carrying amount of the City's deposits, including certificates of deposit, was \$1,092,447 and the bank balances were \$1,097,671. Of the bank balances, \$609,100 were covered by federal depository insurance and \$488,571 were collateralized with securities held by the pledging financial institution's agents in the City's name. The bank balance not covered by federal depository insurance exceeded 5% of the total bank balances which results in a concentration of credit risk.

**3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The City was in violation of K.S.A. 12-1608 which requires the City to publish within 30 days from December 31 in the official City newspaper, a financial statement showing the total amount received and expended from each fund and the cash balances of each fund at the beginning and close of the year.

The City was in violation of K.S.A. 79-2935 due to a budget violation in the Parks and Recreation Fund.



## CITY OF MILFORD, KANSAS

### NOTES TO FINANCIAL STATEMENT DECEMBER 31, 2014

#### 4. DEFINED BENEFIT PENSION PLAN

*Plan Description.* The City of Milford, Kansas contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

*Funding Policy.* K.S.A. 74-4919 and K.S.A. 74-49,21 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for tier 2 members. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates.

#### 5. RISK MANAGEMENT

The City of Milford, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To insure against risk of these types of losses, the City has purchased commercial insurance coverage. Settled claims resulting from these risks have not exceeded commercial coverage in the past three fiscal years.

#### 6. LITIGATION

The City knows of no actual or possible litigation, claims or assessments whose effects should be considered in the preparation of the financial statement as of December 31, 2014.

#### 7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

*Compensated Absences.* The City's policy allows full time employees to accumulate vacation and sick leave as follows:

Vacation Time:

<u>Years of Service</u>	<u>Accrual per Month</u>	<u>Maximum Accrual</u>
0-5 years	6.67 hours	80 hours
6-10 years	8.0 hours	96 hours
11-15 years	10.0 hours	120 hours
Over 15 years	12.0 hours	144 hours

**CITY OF MILFORD, KANSAS**

**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2014**

**7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)**

**Sick Leave:**

Sick leave is accrued at a rate of 8.0 hours per month for all full time employees (4.0 hours for part time), up to a maximum of 720 hours. Sick leave accumulated is not paid to employees upon termination of employment.

The dollar amount of accrued vacation time at December 31, 2014 was \$2,728.

*Other Post Employment Benefits.* As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

**8. RELATED PARTIES**

All members of the city council, the mayor and all employees are City customers. The only transactions were water, sewer and trash purchases consummated on the same terms as all other City customers.

**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

**CITY OF MILFORD, KANSAS**  
**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
Governmental Type Fund:					
General Fund	\$ 362,003	-	362,003	173,744	(188,259)
Special Purpose Funds:					
Ambulance and Firefighting	50,000	-	50,000	3,096	(46,904)
Special Highway	15,000	-	15,000	12,750	(2,250)
Parks and Recreation	-	-	-	7,656	7,656
Employee Benefits	31,700	-	31,700	11,718	(19,982)
Capital Projects Fund:					
Capital Improvements	147,695	-	147,695	82,950	(64,745)
Business Funds:					
Water Utility	79,000	-	79,000	77,284	(1,716)
Sewer Utility	46,500	-	46,500	30,415	(16,085)

## CITY OF MILFORD, KANSAS

## GOVERNMENTAL TYPE FUND

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	2013	2014		Variance -
				Over
<b><u>GENERAL FUND</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>(Under)</u></b>
Receipts:				
Taxes				
Ad Valorem Property Tax	\$ 41,798	43,625	44,014	(389)
Delinquent Tax	858	2,811	500	2,311
Motor Vehicle Tax	5,277	6,303	4,800	1,503
Countywide Sales Tax	50,251	49,877	48,000	1,877
Recreational Vehicle Tax	181	82	79	3
Intergovernmental Revenue				
Local Alcohol and Liquor Tax	3,107	3,591	1,670	1,921
Licenses and Permits				
Licenses and Permits	5,423	957	5,675	(4,718)
Utility Franchise Fees	23,051	25,154	19,800	5,354
Charges for Services				
Sanitation	42,148	40,890	43,000	(2,110)
Use of Money and Property				
Interest	5,964	3,128	6,500	(3,372)
Miscellaneous				
Other Receipts and Donations	77,729	17,318	8,500	8,818
Capital Outlay	15	-	-	-
Transfer from Gas Utility	93,559	-	-	-
Total Receipts	<u>349,361</u>	<u>193,736</u>	<u>182,538</u>	<u>11,198</u>
Expenditures:				
General and Administrative				
Personal Services	29,101	37,422	28,000	9,422
Contractual Services	37,893	67,843	37,000	30,843
Commodities	8,742	9,908	7,000	2,908
Capital Outlay	57,358	1,597	219,303	(217,706)
Fire				
Commodities	1,764	1,550	2,000	(450)
Park				
Contractual Services	20	-	1,000	(1,000)
Commodities	5,411	4,888	1,700	3,188
Sanitation				
Contractual Services	40,266	39,795	41,000	(1,205)
Building Maintenance	-	-	-	-
Street Repair	4,654	10,741	25,000	(14,259)
Total	<u>185,209</u>	<u>173,744</u>	<u>362,003</u>	<u>(188,259)</u>
Receipts Over (Under) Expenditures	164,151	19,992		
Unencumbered Cash, January 1	<u>183,007</u>	<u>347,158</u>		
Unencumbered Cash, December 31	<u>\$ 347,158</u>	<u>367,150</u>		

## CITY OF MILFORD, KANSAS

## SPECIAL PURPOSE FUNDS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	2013	2014		Variance -
				Over
	Actual	Actual	Budget	(Under)
<b><u>AMBULANCE AND FIREFIGHTING</u></b>				
Receipts:				
Ad Valorem Tax	\$ -	140	-	140
Motor Vehicle Tax	85	-	-	-
Recreational Vehicle Tax	1	-	-	-
Total Receipts	86	140	-	140
Expenditures:				
Commodities	-	3,096	25,000	(21,904)
Capital Outlay	-	-	25,000	(25,000)
Total Expenditures	-	3,096	50,000	(46,904)
Receipts Over (Under) Expenditures	86	(2,956)		
Unencumbered Cash, January 1	52,353	52,439		
Unencumbered Cash, December 31	\$ 52,439	49,483		
<b><u>SPECIAL HIGHWAY</u></b>				
Receipts:				
State Payments and Other	\$ 14,361	15,415	14,200	1,215
Expenditures:				
Street Expense	-	12,750	15,000	(2,250)
Receipts Over (Under) Expenditures	14,361	2,665		
Unencumbered Cash, January 1	23,796	38,157		
Unencumbered Cash, December 31	\$ 38,157	40,822		

## CITY OF MILFORD, KANSAS

SPECIAL PURPOSE FUNDS  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	2013	2014		Variance -
				Over -
	Actual	Actual	Budget	(Under)
<b><u>PARKS AND RECREATION</u></b>				
Receipts:				
Local Alcohol and Liquor Tax	\$ 3,107	2,255	1,669	586
Registrations and Other Receipts	-	9,373	-	9,373
Total Receipts	<u>3,107</u>	<u>11,628</u>	<u>1,669</u>	<u>9,959</u>
Expenditures:				
Park Board Expenses	-	7,656	-	7,656
Receipts Over (Under) Expenditures	3,107	3,972		
Unencumbered Cash, January 1	<u>19,661</u>	<u>22,768</u>		
Unencumbered Cash, December 31	<u>\$ 22,768</u>	<u>26,740</u>		
<b><u>EMPLOYEE BENEFITS</u></b>				
Receipts:				
Delinquent Tax	\$ -	1,300	700	600
Motor Vehicle Tax	1,171	13	-	13
Recreational Vehicle Tax	6	-	-	-
Total Receipts	<u>1,177</u>	<u>1,313</u>	<u>700</u>	<u>613</u>
Expenditures:				
Payroll Taxes Remitted	4,552	4,780	5,500	(720)
KPERS Remittances	5,133	6,866	5,500	1,366
Unemployment Tax	61	72	700	(628)
Health Insurance	-	-	20,000	(20,000)
Total Expenditures	<u>9,746</u>	<u>11,718</u>	<u>31,700</u>	<u>(19,982)</u>
Receipts Over (Under) Expenditures	(8,569)	(10,405)		
Unencumbered Cash, January 1	<u>87,282</u>	<u>78,713</u>		
Unencumbered Cash, December 31	<u>\$ 78,713</u>	<u>68,308</u>		

## CITY OF MILFORD, KANSAS

SPECIAL PURPOSE FUNDS  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	2013 Actual	2014 Actual
<b><u>GAS SECURITY DEPOSIT*</u></b>		
Receipts:		
Deposits Collected	\$ -	-
Interest	1	-
Total Receipts	<u>1</u>	<u>-</u>
Expenditures:		
Deposits Remitted	5,531	-
Interest Paid on Deposits	149	-
Total Expenditures	<u>5,680</u>	<u>-</u>
Receipts Over (Under) Expenditures	(5,679)	-
Unencumbered Cash, January 1	<u>5,679</u>	<u>-</u>
Unencumbered Cash, December 31	<u>\$ -</u>	<u>-</u>
<b><u>SEWER RESERVE*</u></b>		
Receipts	<u>\$ -</u>	<u>-</u>
Expenditures:	<u>-</u>	<u>1,057</u>
Receipts Over (Under) Expenditures	-	(1,057)
Unencumbered Cash, January 1	<u>3,796</u>	<u>3,796</u>
Unencumbered Cash, December 31	<u>\$ 3,796</u>	<u>2,739</u>
<b><u>WATER SECURITY DEPOSIT*</u></b>		
Receipts	<u>\$ 8,700</u>	<u>7,144</u>
Expenditures:		
Deposits Remitted	9,830	4,299
Interest Paid on Deposits	25	-
Total Expenditures	<u>9,855</u>	<u>4,299</u>
Receipts Over (Under) Expenditures	(1,155)	2,845
Unencumbered Cash, January 1	<u>2,949</u>	<u>1,794</u>
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, December 31	<u>\$ 1,794</u>	<u>4,639</u>

\* Not Budgeted



## CITY OF MILFORD, KANSAS

BOND AND INTEREST FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	2013 <u>Actual</u>	2014 <u>Actual</u>
<b><u>COMMUNITY BUILDING SINKING*</u></b>		
Receipts	\$ -	-
Expenditures:	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	3,994	3,994
Unencumbered Cash, December 31	<u>\$ 3,994</u>	<u>3,994</u>

\* Not Budgeted

## CITY OF MILFORD, KANSAS

CAPITAL PROJECTS FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	2013	2014		Variance -
				Over
	Actual	Actual	Budget	(Under)
<b><u>CAPITAL IMPROVEMENTS FUND</u></b>				
Receipts:				
Ad Valorem Tax	\$ 42,741	40,683	41,045	(362)
Delinquent Tax	-	307	300	7
Motor Vehicle Tax	1,566	5,182	4,908	274
Recreational Vehicle Tax	50	80	81	(1)
Total Receipts	<u>44,357</u>	<u>46,252</u>	<u>46,334</u>	<u>(82)</u>
Expenditures:				
Capital Improvements	-	82,950	147,695	(64,745)
Receipts Over (Under) Expenditures	44,357	(36,698)		
Unencumbered Cash, January 1	<u>173,442</u>	<u>217,799</u>		
Unencumbered Cash, December 31	<u>\$ 217,799</u>	<u>181,101</u>		

## CITY OF MILFORD, KANSAS

## BUSINESS FUNDS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	2013	2014		Variance -
	Actual	Actual	Budget	Over (Under)
<b><u>WATER UTILITY</u></b>				
Receipts:				
Water Sales and Hookups	\$ 100,256	99,241	100,000	(759)
Other Receipts	-	240	-	240
Total Receipts	100,256	99,481	100,000	(519)
Expenditures:				
Personal Services	18,208	15,079	24,000	(8,921)
Contractual Services	19,938	12,146	25,000	(12,854)
Commodities	67,312	50,059	30,000	20,059
Total Expenditures	105,458	77,284	79,000	(1,716)
Receipts Over (Under) Expenditures	(5,202)	22,197		
Unencumbered Cash, January 1	133,791	128,589		
Unencumbered Cash, December 31	\$ 128,589	150,786		
<b><u>SEWER UTILITY</u></b>				
Receipts:				
Sewer Maintenance Collections	\$ 60,415	58,428	60,000	(1,572)
Expenditures:				
Personal Services	15,880	14,902	15,000	(98)
Contractual Services	26,386	12,861	25,000	(12,139)
Commodities	2,806	2,652	6,500	(3,848)
Total Expenditures	45,072	30,415	46,500	(16,085)
Receipts Over (Under) Expenditures	15,343	28,013		
Unencumbered Cash, January 1	141,467	156,810		
Unencumbered Cash, December 31	\$ 156,810	184,823		

## CITY OF MILFORD, KANSAS

## BUSINESS FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETREGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2013)

	<u>2013</u>	<u>2014</u>		<u>Variance -</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>(Under)</u>
<b><u>GAS UTILITY</u></b>				
Receipts:				
Sale of Gas, Hookups, and Turn-ons	\$ 37	-	-	-
Expenditures:				
Transfer to General Fund	93,559	-	-	-
Total Expenditures	93,559	-	-	-
Receipts Over (Under) Expenditures	(93,522)	-		
Unencumbered Cash, January 1	93,522	-		
Unencumbered Cash, December 31	\$ -	-		

## CITY OF MILFORD, KANSAS

AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Beginning Cash</u> <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash</u> <u>Balance</u>
SALES TAX FUND	<u>\$ 1,301</u>	<u>825</u>	<u>662</u>	<u>\$ 1,464</u>